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W.A.No.1583 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 10.07.2026

CORAM :

THE HONOURABLE MR. SUSHRUT ARVIND DHARMADHIKARI,
CHIEF JUSTICE

AND

THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

W.A.No.1583 of 2024

AND

C.M.P.No.10979 of 2024

1.V.Srinivasan

No.26/42 Madhava Perumal Koil Street,
Mylapore, Chennai-600004

Rep. by his power of attorney holder Mr.C.Nelson,
having address at 29/12, Santhome High Road,
Mylapore Chennai-600004

2.G.Padma

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4. N.Hemavathi



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No.26/42 Madhava Perumal Koil Street,
Mylapore, Chennai-600004

Rep. by his power of attorney holder Mr.C.Nelson,
having address at 29/12, Santhome High Road,
Mylapore Chennai-600004

Appellant(s)

Vs

1.State of Tamil Nadu
Rep. by Secretary to the Government
Revenue Department,
Fort St.George, Chennai-600009.

2.The Secretary
Department of Civil Aviation,
Government of India, New Delhi.

3.The District Collector,
Chennai District, Chennai-600001.

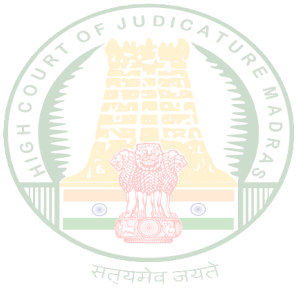
4.The Revenue Divisional Officer,
(Chennai South) Saidapet, Chennai-600015.

5.The General Manager,
Southern Railways,
Southern Railways Head Quarters Building,
Park Town, Chennai-600003.

Respondent(s)

PRAYER: Writ Appeal filed under Clause 15 of the Letters Patent to set aside the impugned judgment dated 17.12.2021 passed in W.P.No.4125 of 2017.

For Appellant(s): Ms.Madona Akashini
(through Video Conferencing)
for Mr.Antony R.Julian



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For Respondent(s): Mr.R.Veeramani
Government Pleader
For R1 & R3

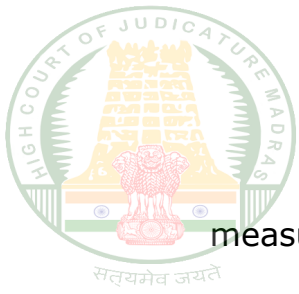
Mr.P.T.Ram Kumar
Standing Counsel For R5

JUDGMENT

[Delivered by G.ARUL MURUGAN, J.]

The present Intra-Court Appeal has been filed assailing the order of the Writ Court dated 17.12.2021 passed in W.P.No.4125 of 2017, whereby the learned Single Judge rejected the appellants' claim that the acquisition proceedings had lapsed under Section 24(2) of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013, [hereinafter referred to as '2013 Act'].

2. The brief facts of the case are that a notification under Section 4(1) of the Land Acquisition Act, 1894 came to be issued in G.O.Ms.No.31, dated 06.08.1958 in G.O.R.No.970, Public Works (General) Department, dated 26.07.1958 for the acquisition of land



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measuring to an extent of 8.36 acres in Velacherry Village for the public purpose of constructing V.O.R Station. The appellants claim that the 4(1) notification in respect of 6.49 acres, referred Gopalsamy Iyer, Venkatrama Iyer, Ramachandra Iyer and Subramania Iyer as owners, but, actually, Ramachandra Iyer alone, being the owner, was in possession of the property.

3. It is their further case that, pursuant to the partition effected among the three sons of P.S.Ganapathy Iyer, including Ramachandra Iyer, who is the vendor of the A.S.V.Varadhachariar, the father of the appellant, the property continued to remain in their possession and even after 6 decades, the acquisition was neither completed nor was possession taken. According to the appellants, the land was never utilised by the respondents. The appellants claiming that they continued to be in possession and that the acquisition proceedings had not been completed, preferred the writ petition, challenging the Section 4(1) notification in G.O.Ms.No.31 dated 06.08.1958 as deemed to have been lapsed in view of Section 24(2) of the 2013 Act.

4. Pursuant to the detailed counter affidavit filed by the

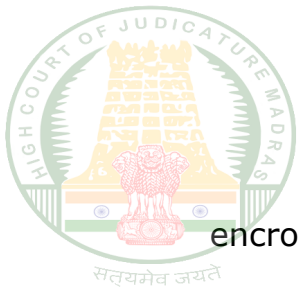


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respondents, the learned Single Judge found that the acquisition proceedings had been completed even in the year 1959, with the passing of the award. Since there was a dispute regarding title of the property, the compensation amount had been deposited before the Competent Court. The learned Single Judge further found that the possession had been taken and the land had vested with the Government. Placing reliance upon a decision of the Hon'ble Supreme Court in the case of **Indore Development Authority vs. Manoharlal and Others**¹, the learned Single Judge dismissed the writ petition. Aggrieved thereby, the appellants/land owners have preferred the present appeal.

5. Learned counsel appearing for the appellants submitted that the appellants, being the legal heirs of A.S.V.Vardhachariar, are the owners of the land measuring to an extent of 6.49 acres, comprised in Survey No.317/1B. It is further submitted that, when the Advocate Commissioner appointed by this Court had inspected the property, she found that an extent of 4.64 acres was alone available in Survey No.317/1B, which was only due to the fact that 1.85 acres had been

¹ (2020) 8 SCC 129



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encroached by the land grabbers. Learned counsel further contended that lawful possession of the acquired land can only be taken by drawing the panchanama and that no such documents had been produced to establish taking over possession. The lands remained vacant and were never utilised by the respondents for public purpose, and therefore, automatically the acquisition proceedings would stand lapsed in view of Section 24(2) of the 2013 Act.

6. Per contra, Mr.R.Veeramani, learned Government Pleader appearing on behalf of the respondents 1 and 3, and Mr.P.T.Ram Kumar, learned Standing Counsel appearing on behalf of the 5th respondent, submitted that the acquisition proceedings were concluded even in the year 1959. Further, it is submitted that the compensation amount had been deposited before the Competent Court, in view of the dispute regarding ownership, and possession of the property had been taken by the Government right in the year 1959 itself. It was therefore contended that the appellants are only trying to make a stale claim, absolutely without any iota of interest to unlawfully seek the benefits under the 2013 Act.



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7. We have carefully considered the rival submissions made by the learned counsel appearing on either side and perused the materials available on record.

8. The 1st respondent issued a notification under Section 4(1) of the Land Acquisition Act, 1894 in G.O.R.No.970 Public Works Department dated 26.07.1958, acquiring an extent of 8.36 acres in Survey No.317/1B, registered in the names of Gopalsamy Iyer, Venkatrama Iyer, Ramachandra Iyer and Subramania Iyer, for the benefit of the Department of Civil Aviation (now Airports Authority of India) for installing a radio navigational facility known as Very High Frequency Omni Range (VOR) Station under the Minister of Civil Aviation.

9. The award inquiry was conducted on 14.10.1959, in which A.S.V.Varadhachariar, the father of the appellants participated. Pursuant to inquiry, award dated 15.11.1959 in Award No.5 of 1959 was passed in respect of the subject lands. In view of the dispute in ownership, the compensation amount of Rs.1198.11 was deposited before the Competent Court under Section 31(2) of the Land

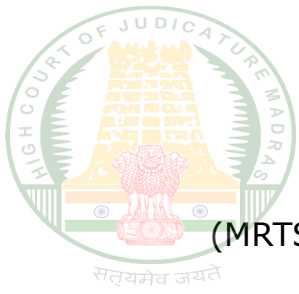


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Acquisition Act, 1894. Pursuant to the award passed and the compensation deposited in the Court, the possession was taken by the Government and the land vested absolutely with the Government free from all encumbrances.

10. Further, in C.R.O.P.No.10 of 1960 filed by the Revenue Division Officer, Saidapet Division, as against the aforesaid persons, the Subordinate Court, Chengalpet, by order dated 07.04.1964, directed that the compensation amount is to be paid to the appellants father A.S.V.Varadhachariar. Therefore, it is evident that the entire acquisition proceedings got concluded with the passing of award and, in view of the dispute, original compensation amount was deposited in the Court and ultimately orders were passed in the year 1964 allowing the appellants father A.S.V.Varadhachariar to withdraw the compensation amount.

11. Subsequently, the Chief Engineer, Metropolitan Transport Project (Railways) as per G.O.Ms.No.478, Revenue LD 4(2) Department dated 27.10.2001, sought allotment for Velachery Railway Station in Velachery Village under the Mass Rapid Transit System

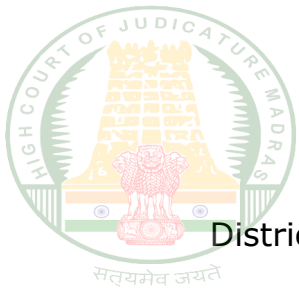


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(MRTS) Scheme. The above lands acquired in the year 1959 comprised in Survey No.317/1B are classified as Government Poromboke (VOR Station) and are now under the control of Airports Authority of India.

12. In view of the pending land transfer proposal, the Airports Authority of India has given prior entry permission to the land on 06.10.2003. An inspection conducted by the District Revenue Officer on the same day revealed that the Railway Department had already stacked construction materials at the construction site and there were no valuable trees or encroachment. Since the small building was in dilapidated condition, which requires demolishing charges more than the building cost, no separate value was fixed. Pursuant to which, the Additional General Manager, Airports Authority of India, had consented to the transfer of land to the Railway Department on collection of market value.

13. The 3rd respondent also recommended resumption of the land from the Airports Authority of India for transfer to the Railway Department for MRTS Scheme. The Special Commissioner and Commissioner of Land Administration accepted the proposal of the



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District Collector for resumption of lands measuring 8.36 acres in Survey No.317/1B, Velachery Village from Airports Authority of India and for transfer to the Railway Department at the rate of Rs.132.30 per Sq.ft as per Revenue Standing Order (RSO) No.23 with prescribed conditions. The Government accepted the proposal based on which the Special Commissioner of Land Administration directed the subject lands to be resumed from the Airports Authority of India and transferred to Railways Department for construction of MRTS Phase-II Scheme. Accordingly, the subject land came into possession of the 5th respondent/Railways.

14. It is evident that by the orders of the Government, the lands were resumed from the Airports Authority of India and handed over to the Railway Department. The properties, which were taken over even in the year 1959 after the completion of the acquisition proceedings, had remained with the Airports Authority of India, which has now been resumed and transferred to the 5th respondent/Railways Department.

15. Further, while the writ petition was pending, an Advocate Commissioner was appointed to inspect the subject property who had



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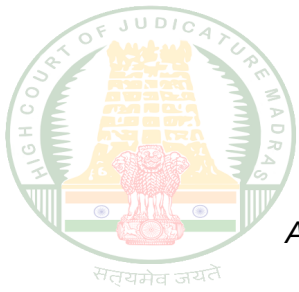
filed a report dated 08.10.2018 stating that the land was lying vacant and there was no sign of any construction or physical possession by anybody. The report also stated that a newly laid road approximately 60 feet in width and extending for about 300 meters, passed through the subject property, and the road appears to be recently developed in the area.

16. The issue in respect of the lapse of the acquisition proceedings under Section 24(2) of the 2013 Act is no more *res integra*. The Constitution Bench of the Hon'ble Supreme Court in **Indore Development Authority's** case (cited *supra*) conclusively settled the legal position in paragraph 366, which reads as follows:

"366. *In view of the aforesaid discussion, we answer the questions as under:*

366.1. *Under the provisions of Section 24(1)(a) in case the award is not made as on 1-1-2014, the date of commencement of the 2013 Act, there is no lapse of proceedings. Compensation has to be determined under the provisions of the 2013 Act.*

366.2. *In case the award has been passed within the window period of five years excluding the period covered by an interim order of the court, then proceedings shall continue as provided under Section 24(1)(b) of the 2013 Act under the 1894*



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Act as if it has not been repealed.

366.3. *The word "or" used in Section 24(2) between possession and compensation has to be read as "nor" or as "and". The deemed lapse of land acquisition proceedings under Section 24(2) of the 2013 Act takes place where due to inaction of authorities for five years or more prior to commencement of the said Act, the possession of land has not been taken nor compensation has been paid. In other words, in case possession has been taken, compensation has not been paid then there is no lapse. Similarly, if compensation has been paid, possession has not been taken then there is no lapse.*

366.4. *The expression "paid" in the main part of Section 24(2) of the 2013 Act does not include a deposit of compensation in court. The consequence of non-deposit is provided in the proviso to Section 24(2) in case it has not been deposited with respect to majority of landholdings then all beneficiaries (landowners) as on the date of notification for land acquisition under Section 4 of the 1894 Act shall be entitled to compensation in accordance with the provisions of the 2013 Act. In case the obligation under Section 31 of the Land Acquisition Act, 1894 has not been fulfilled, interest under Section 34 of the said Act can be granted. Non-deposit of compensation (in court) does not result in the lapse of land acquisition proceedings. In case of non-deposit with respect to the majority of holdings for five years or more, compensation under the 2013 Act has to be paid to the "landowners" as on the date of notification for land acquisition under Section 4 of the 1894 Act.*

366.5. *In case a person has been tendered the compensation as provided under Section 31(1) of the 1894 Act, it is not open to him to claim that acquisition has lapsed under*



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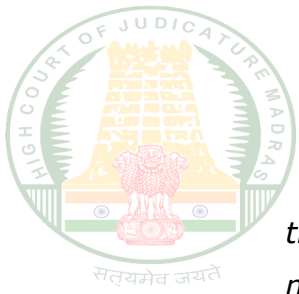
Section 24(2) due to non-payment or non-deposit of compensation in court. The obligation to pay is complete by tendering the amount under Section 31(1). The landowners who had refused to accept compensation or who sought reference for higher compensation, cannot claim that the acquisition proceedings had lapsed under Section 24(2) of the 2013 Act.

366.6. *The proviso to Section 24(2) of the 2013 Act is to be treated as part of Section 24(2), not part of Section 24(1)(b).*

366.7. *The mode of taking possession under the 1894 Act and as contemplated under Section 24(2) is by drawing of inquest report/memorandum. Once award has been passed on taking possession under Section 16 of the 1894 Act, the land vests in State there is no divesting provided under Section 24(2) of the 2013 Act, as once possession has been taken there is no lapse under Section 24(2).*

366.8. *The provisions of Section 24(2) providing for a deemed lapse of proceedings are applicable in case authorities have failed due to their inaction to take possession and pay compensation for five years or more before the 2013 Act came into force, in a proceeding for land acquisition pending with the authority concerned as on 1-1-2014. The period of subsistence of interim orders passed by court has to be excluded in the computation of five years.*

366.9. *Section 24(2) of the 2013 Act does not give rise to new cause of action to question the legality of concluded proceedings of land acquisition. Section 24 applies to a proceeding pending on the date of enforcement of the 2013 Act i.e. 1-1-2014. It does not revive stale and time-barred claims and does not reopen concluded proceedings nor allow landowners to question*



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the legality of mode of taking possession to reopen proceedings or mode of deposit of compensation in the treasury instead of court to invalidate acquisition."

17. In the present case, it is an admitted fact that the entire acquisition proceedings culminated in the passing of the Award No.5 of 1959, dated 15.11.1959. In view of the dispute between the land owners, the compensation amount of Rs.1198.11 was deposited before the Competent Court under Section 31(2) of the Land Acquisition Act, 1894. The Subordinate Court, by order dated 07.04.1964 in C.R.O.P.No.10 of 1960, allowed the appellants' father A.S.V.Varadhachariar, to withdraw the compensation amount. The possession of the property vested with Airports Authority of India all along, which had now been transferred to Railways, who are in possession of the property.

18. In such circumstances, the question of lapse under Section 24(2) of the 2013 Act does not arise. The entire claim put forth by the appellants is totally misplaced and not sustainable, as held by the Hon'ble Supreme Court in **Indore Development Authority's** case (cited *supra*), and hence, the appellants cannot be allowed to reopen



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the stale claims.

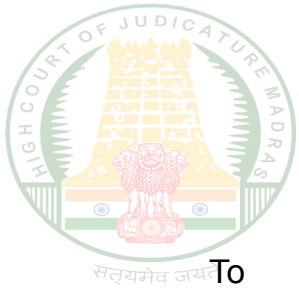
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19. In view of the above, we find no error or infirmity in the orders of the Writ Court warranting interference. Accordingly, the Writ Appeal stands dismissed. There shall be no order as to costs. Consequently, interim application stand closed.

(SUSHRUT ARVIND DHARMADHIKARI, CJ) (G.ARUL MURUGAN,J)
10.07.2026

Index : Yes/No
Neutral Citation : Yes/No

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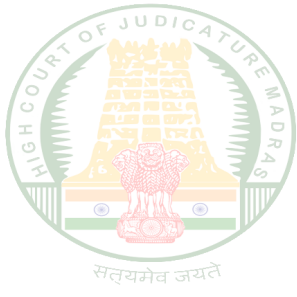
1.The Secretary to the Government
Revenue Department, Fort St.George,
Chennai-600009

2.The Secretary
Department of Civil Aviation,
Government of India, New Delhi

3.The District Collector
Chennai District, Chennai-600001

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THE HON'BLE CHIEF JUSTICE
AND
G.ARUL MURUGAN,J.

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10.07.2026

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